UNITED
NATIONS

A E

General Assembly

Economic and Social Council

Distr.
GENERAL

A/47/291
E/1992/95
7 July 1992

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Forty-seventh session
Item 88 (b) of the preliminary list*
SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE: SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE

ECONOMIC AND SOCIAL COUNCIL
Substantive session of 1992
29 June-31 July 1992
Agenda item 9 (a)
SPECIAL ECONOMIC, HUMANITARIAN AND DISASTER RELIEF ASSISTANCE: SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE

Assistance for the reconstruction and development of Lebanon

Report of the Secretary-General

SUMMARY

The present report has been prepared pursuant to Economic and Social Council resolution 1991/61 and General Assembly resolution 46/173. The report provides information on the role of the United Nations in carrying out assistance for the reconstruction and development of Lebanon for the period 1 August 1991 through 31 May 1992. The report contains an introduction, a review of the general situation in Lebanon, a description of the activities of the organizations and programmes of the United Nations system and conclusions.

* A/47/50.

CONTENTS

		Paragraphs	Page
I.	INTRODUCTION	1	3
II.	GENERAL SITUATION	2 - 12	3
III.	ROLE AND ACTIVITIES OF THE UNITED NATIONS SYSTEM	13 - 108	6
IV.	CONCLUSIONS	109 - 113	26

I. INTRODUCTION

1. The present report is submitted to the Economic and Social Council and the General Assembly pursuant to Economic and Social Council resolution 1991/61 and General Assembly resolution 46/173. It provides a brief description of the progress achieved in Lebanon between 1 August 1991 and 31 May 1992 in implementing those resolutions.

II. GENERAL SITUATION

2. During the period under review, the Government of Lebanon continued to address issues related to reconstruction and rehabilitation. In 1991, there was good progress towards economic recovery, although the economy remained beset with problems. There was a rapid revival in production and trade made possible by the stabilization of the exchange rate and the parallel reduction in domestic inflation, both of which were helped by large inflows of short-term capital (official exchange reserves improved by US$ 600 million during 1991). The gross domestic product (GDP) for 1991 is estimated to have undergone in real terms up to a 40 per cent increase over that for 1990, with rapid growth in construction and manufacturing. Exports increased. The exchange rate was stabilized as of the second trimester, whereas inflation in dollar terms was limited to 15 per cent. Other achievements of 1991 included the stabilization of the Lebanese currency, a significant surplus in the balance of payments, increased cash flow and recapitalization of banks, and increasing stability of economic institutions. The main problem related to the country's significant budget deficit and massive internal debt, but inflation also remained a concern. There was, however, an improvement in the overall consolidated government deficit in 1991, which declined to 27 per cent of GDP in 1991 from 34 per cent in 1990 on account of substantial improvements in fiscal performance.

3. The encouraging economic results of 1991 were not sustainable beyond the short term in so far as the exchange rate and price stabilization policy implied a major fiscal adjustment, with the costs of servicing the rapidly rising domestic debt bound to aggravate the fiscal disequilibrium. The government decision of December 1991 to grant a 120 per cent salary and wage increase in the public sector retroactive to January 1991, on account of improved economic expectations and in an attempt to improve socio-economic conditions of government employees, had serious negative results. It changed investors' perceptions of the ability of the authorities to maintain the stabilization policy, which was the basis of the Government's economic recovery strategy. The injection of a large dose of liquidity as a result of the salary increase led to the expectation of a depreciation in the value of the Lebanese pound, triggering a sharp loss in reserves (about US$ 600 million), which led in turn to the abandonment of the stabilization policy in late February 1992. Within two weeks, the Lebanese pound depreciated from LL 878 to LL 1,200 (in February 1992). The Government subsequently announced the adoption of an emergency plan to deal with an

economic crisis; the plan centred on control of the fiscal deficit and intended to constitute an important first step towards solving the country's economic problems. The further depreciation of the Lebanese pound to LL 1,600 by the end of April led to social unrest. The new Government, which assumed office in May 1992, has put at the top of its agenda rapid and decisive action to deal with the economic and social crisis and is presently considering a plan to restore economic stability as a pre-condition for regaining private sector confidence and bringing about economic reconstruction and development.

4. The government effort to prepare and implement a reorganization of government administration and an administrative reform, initiated in mid-1991, was put on hold at the end of 1991, and the proposals submitted by different government ministers were referred to a committee of national experts for review and consolidation. The committee was also to review the government decisions to merge the Ministry of National Economy and Trade and the Ministry of Industry and Petroleum and to create new government departments for culture, for higher education, and for environment and municipal affairs. The committee has not yet reported to the Council of Ministers. There appears to be significant scope for assistance of the United Nations system with respect to institutional adjustment and administrative reform.

5. The Government announced early in February 1992 an initiative towards solving the problem of displaced persons, whose number is estimated at more than 500,000, or roughly 20 per cent of the population. The Government has initiated a census of all displaced persons that was scheduled to be followed by a national conference late in June 1992 to discuss the strategy, policy options and action programmes to be adopted. If and when a major resettlement and reintegration effort gets under way, massive financial support will be required to meet housing needs and to lay down the basic infrastructure and public services, particularly in the areas that suffered heavy destruction and a major outflow of population. The Government has already called on the United Nations system to provide initial assistance in this respect.

6. The Council for Development and Reconstruction (CDR) has activated and accelerated preparations towards the initiation of reconstruction and the mobilization of required resources. In May 1991 CDR commissioned from private consultants (International Bechtel and Dar Al Handasa) a recovery planning study in three phases (namely rehabilitation, reconstruction and development) to be completed in 16 months. Recovery planning is regarded by CDR as a process that is to be continuously revised and updated. Phase I (rehabilitation), which aimed to restore the capacity of existing facilities and institutions and to pursue appropriate action to initiate subsequent steps of recovery, was completed in December 1991. It received the approval in principle of the Council of Ministers in April 1992. CDR initiated phase II of the recovery planning early in 1992.

7. The Priority Rehabilitation Programme (PRP), the main output of phase I of the recovery planning, sets total investment requirements at US$ 4.4 billion (of which US$ 1.1 billion are provisional) over the period

1992-1996. PRP assumes a rate of investment of 30 per cent of GDP, of which 40 per cent is in the public sector, and rapid progress in recovery of revenues and effective control of government expenditures. PRP assumes a real rate of growth of GDP of 15 per cent annually, the maintaining of public expenditures in real terms at the level of 1988-1990 plus 15 per cent and the raising of US$ 600-800 million from foreign sources annually. It is planned that US$ 2.3 billion (excluding US$ 712 million in provisional requirements) will be disbursed during the rehabilitation period (1992-1994), of which US$ 1.5 billion will be for public physical investment, US$ 550 million for credit to the private sector and US$ 204 million for technical assistance. Fifty-six per cent of total planned investment (excluding provisional requirements) will involve foreign exchange requirements. PRP comprises a total of 126 infrastructure and services projects, each of which has a number of subprojects, mainly concentrated in Beirut and Mount Lebanon.

8. With respect to the supporting action required by CDR itself to ensure successful implementation of PRP, the need exists for the establishment of an information and data base; the development of a comprehensive monitoring system; the establishment of implementation organizations in support of expanding CDR management capacity; the establishment of policies and procedures to deal with contractors and consultants; and the pursuit of a diversified financing strategy for individual sectors and for technical assistance. CDR has already requested the United Nations system, specifically the United Nations Development Programme (UNDP), to consider provision of assistance to strengthen CDR management and implementation capacity. CDR also places emphasis on parallel complementary action in the wider context of the national government, including in particular comprehensive action towards institutional adjustment and development of public sector management.

9. PRP provides a framework and basis for initiating rehabilitation activity. Its completion in a short period of time has been a remarkable achievement of CDR. The Government of Lebanon has requested the donor community to mobilize for assisting reconstruction and to consider allocating necessary resources for programme implementation. The World Bank and the International Monetary Fund were requested in the fall of 1991 to review the state of the economy and the monetary sector with a view to mobilizing support for an emergency rehabilitation programme and participating through an emergency loan. PRP was introduced to the World Bank Aid Coordination Meeting held in Paris on 12 and 13 December 1991. In follow-up to the meeting, CDR, with grant assistance from the European Community, has undertaken to identify and formulate an emergency rehabilitation programme in priority sectors, namely electricity, communications, water-supply and waste management and housing. Damage assessment and project preparation were completed between January and May 1992 for those priority sectors.

10. During the review period, there has been increasing and sustained interest of the donor community in surveying the situation and exploring priority needs for reconstruction. Loan agreements totalling US$ 110 million were concluded in December 1991 with the Arab Fund for Economic and Social

Development (US$ 75 million) and the Kuwait Fund for Arab Economic Development (US$ 35 million) for the rehabilitation of the electricity network. It is noted that as of 1 January 1992 assistance from bilateral and multilateral sources allocated, and in principle available to Lebanon, amounted to about US$ 700 million, of which 75 per cent was commercial loans and 25 per cent grants (US$ 135 million in economic assistance and US$ 40 million in humanitarian assistance and support to private education institutions) and very soft loans (US$ 18 million). In the first quarter of 1992, an important agreement with the Government of Italy was also announced, the amount involved totalling US$ 460 million, including a mixture of grants, soft loans and commercial credits (the agreement recapitulated assistance granted but not implemented since 1983, as well as important new resources). The European Community has repeatedly reconfirmed readiness to programme and implement financial resources amounting to US$ 230 million allocated to Lebanon during past years.

11. CDR also continued preparations during the period under review for the reconstruction of the Beirut Central District, proposed for implementation with only private sector financing through a land development company to be established with an initial capital of US$ 2 billion. Parliament approved the approach and the programme for reconstruction. CDR, at the request of the Council of Ministers, has also been engaged in making preparations for the reconstruction of other regions destroyed or heavily damaged in the course of past events.

12. Finally, it is noted that the investment performance of the public sector in 1991 amounted to US$ 193 million, or less than 5 per cent of GDP, compared with US$ 49 million in 1990 and US$ 40 million in 1989. In 1991, US$ 49 million in public investment was from external sources, particularly grants from Saudi Arabia and the European Community. It is obvious that recent investment performance in the public sector is not commensurate in any way with the vast needs of immediate rehabilitation.

III. ROLE AND ACTIVITIES OF THE UNITED NATIONS SYSTEM

13. Provision of economic assistance to Lebanon by the United Nations is managed at the central level by the Office of the Under-Secretary-General in the Department of Political Affairs of the United Nations Secretariat. At the field level, the programme of United Nations Assistance for the Reconstruction and Development of Lebanon (UNARDOL) functions as the United Nations coordinator's office and ensures coordination of the activities of the United Nations system in support of the overall objectives and specific programmes of the Government of Lebanon.

14. Pursuant to General Assembly resolution 46/173, operative paragraph 5 (b), the Secretary-General nominated in December 1991 a Resident Coordinator in Beirut to coordinate all United Nations programmes of assistance for the reconstruction and development of Lebanon. The Coordinator

arrived in Beirut in mid-January 1992 and immediately took action to create a coherent framework for enhanced coordination and expanded activities of economic and technical assistance for the reconstruction and development of Lebanon.

15. The existing agencies and programmes that were operational in Lebanon during the past review period have been upgraded, expanded their presence and continued their operational activities while preparing for expanded programmes. Most notably, UNDP reactivated its operations after a long period of relative inactivity and staffed its field office through the appointment of a Resident Representative (who is also the United Nations/UNARDOL Resident Coordinator) in January 1992, a Deputy Resident Representative in March 1992 and an Assistant Resident Representative and Junior Professional Officer in June 1992. A new World Health Organization (WHO) representative and coordinator was again appointed and arrived in Beirut in April 1992. In addition to the United Nations Children's Fund (UNICEF) representative, a Programme Officer was appointed to coordinate the programme as of September 1991. The United Nations Educational, Scientific and Cultural Organization (UNESCO) Regional Office for Education in the Arab States reopened in Beirut in April 1992.

16. As indicated above, government efforts since 1991 have been directed towards reactivation of reconstruction and development. A significant supporting effort in this respect was the United Nations Inter-Agency Needs Assessment Mission to Lebanon, 15 to 24 July 1991 (see document A/46/557, Add.2, comprising the Mission's Final Report), which provided a comprehensive assessment of technical assistance needs from a joint United Nations perspective. The Mission determined that technical assistance needs of Lebanon totalled US$ 232.2 million, comprising US$ 120.3 million in the short term and US$ 111.9 million in the medium term; the Mission also indicated food aid needs totalling US$ 45 million. Highly indicative estimates of capital requirements for a few select infrastructure sectors were also provided (amounting to US$ 3.7 billion in the short and medium terms). Whereas the Mission subscribed to the view that the rehabilitation of the country's decimated infrastructure was unquestionably a priority, there was equally emphasis on the fact that priority must be given to humanitarian and human development needs, in addition to restoring the income-generating infrastructure. The Mission concluded that reconstruction and development efforts must be centred on the building of capacity, whether that meant bringing public services back to operating capacity, restoring and developing within both the public and private sectors the capacity necessary to absorb the tremendous amount of assistance and investment required to rebuild the country or creating the human capacity needed to direct reconstruction and manage development. The major driving force behind the country's reconstruction must come from domestic potential and from the private sector, both within and outside Lebanon. The Final Report of the Mission was welcomed and carefully considered by the Government, and CDR considered the technical assistance needs assessment to be a comprehensive and coherent exercise that

would serve as a basis for more detailed, in-depth reviews and analysis directed towards preparation of specific technical assistance programmes and proposals.

17. The Final Report of the United Nations Inter-Agency Needs Assessment Mission to Lebanon was also submitted to and reviewed at the World Bank Aid Coordination Meeting that was convened in December 1991 in Paris. The meeting recognized the need for substantial technical assistance and support and suggestions were made with regard to establishing a technical assistance trust fund. Subsequently, the World Bank requested the United Nations Resident Coordinator to study the subject and submit a proposal to the planned donor coordination meeting scheduled to be held in the summer of 1992 and subsequently postponed until the third/fourth quarter of 1992.

18. At the same Donor Aid Coordination Meeting preliminary estimates of Lebanon's requirements for financial and technical assistance were considered. The Meeting expressed strong support for the creation of an effective aid coordination mechanism to be established to assist Lebanon in the implementation of economic policy and in the areas of resource mobilization and technical assistance. Any such mechanism would not prejudice or supersede aid to Lebanon through other channels.

19. With respect to programme implementation for agencies and programmes of the United Nations system in Lebanon, data pertaining to the operations of the main agencies and programmes present in the country, excluding the United Nations Relief and Works Agency in the Near East (UNRWA), showed the following expenditures: US$ 10 million in 1990 and US$ 15 million in 1991. Funded resources for the year 1992 amount to approximately US$ 18 million, mainly for technical assistance. These figures are comparable with estimated requirements for the priority national rehabilitation programme of US$ 84 million during the coming three years.

United Nations Assistance for the Reconstruction and Development of Lebanon

20. The United Nations/UNARDOL Resident Coordinator promotes cooperation and coordination of United Nations system activities with a view to establishing, at the field level, a strong, integrated United Nations system programme in support of the objectives of the Government's reconstruction and development programme. The United Nations Coordinator works towards creating mechanisms that will ensure the provision of the necessary resources for expanded United Nations activities and undertakes related resource mobilization through coherent and coordinated action at the levels of government, the United Nations system and the donor community. The United Nations Coordinator, in the implementation of his or her mandate, works closely and harmoniously with representatives of the specialized agencies and programmes of the United Nations system.

21. To strengthen United Nations activity in support of Lebanon, the preparation in the short term of a priority technical cooperation programme to sensitize donors and mobilize resources through an international campaign is intended; within this context, parallel action is required to improve the organization and management of technical cooperation at the government level and to strengthen technical assistance mechanisms geared towards the needs of Lebanon at the international level.

22. During the review period, UNARDOL continued monthly security meetings of chiefs of missions and programmes in liaison with the Chief United Nations Liaison Office Beirut, the Israel-Lebanon Mixed Armistice Coalition (ILMAC) and UNIFIL to monitor developments and their implications for field operations and to review and improve the United Nations field security system in Lebanon. UNARDOL also continued to administer the field security system.

23. The United Nations Coordinator reactivated monthly meetings of the joint coordinating committee of the agencies and programmes of the United Nations system. Activities in this connection included monitoring and reporting on the economic situation, economic developments and economic assistance to Lebanon, and regular briefing of representatives; briefing sessions to exchange information on agency programmes and activities and to explore possibilities for cooperation; and review and processing of administrative matters of a common nature. Following consultations with CDR, the joint coordinating committee of agencies and programmes of the United Nations system acts as an advisory group to the Government on policy matters and issues of reconstruction and development. In this connection, PRP was reviewed and assessed by the United Nations field team and a written view was transmitted to CDR and subsequently discussed in detail. The main issue related to the need for increased attention to policy-making, institution building and human development as essential conditions for increasing the chances of success of the rehabilitation programme.

24. During the period under review, inter-agency sectoral working groups on education, displaced persons and primary health care were established. Working groups are also being considered for water-supply and waste management. The main aim of the working groups is to establish an integrated programme of work through identification, preparation, implementation and follow-up of collaborative action. Initial experience has been very satisfactory.

25. The United Nations Coordinator has also reactivated the local Donor Coordination Committee, where developments relating to reconstruction and economic assistance are reviewed, donor intentions exposed and policy issues discussed. It is intended to strengthen considerably the work of the Committee with a view to further streamlining and enhancing coordinated assistance to reconstruction, particularly with respect to technical assistance. Bilateral contacts with representatives from donor countries have continued.

26. The United Nations Coordinator maintained a close liaison and follow-up with the Ministry of Foreign Affairs and with the Council for Development and Reconstruction on issues related to United Nations activities in Lebanon and on policy issues, programmes and activities of reconstruction and development. UNARDOL monitored CDR activities and performance. UNARDOL also maintained a liaison and undertook contacts with private sector associations and non-governmental organizations.

27. UNARDOL coordinates activity with the United Nations Information Centre (UNIC) to achieve improved media reporting on United Nations system operational activities and is in the process of preparing a booklet on the United Nations system and its programmes in Lebanon.

28. UNARDOL has cooperated closely and provided substantive support to UNDP with respect to the structuring and development of technical cooperation, in particular the initial preparation for the country programme, including Technical Support Service (TSS) programme proposals, preparatory assistance documents for rehabilitation of priority sectors, identification and formulation of priority projects, participation in project reviews and evaluation and guidance and support to incoming missions and consultants.

29. UNARDOL has continued to manage the Office of the United Nations Disaster Relief Coordinator (UNDRO) programme in Lebanon, specifically assistance for the rehabilitation of the electricity network (provision of spare parts, small equipment, materials) and emergency assistance following the snowstorms disaster during January/March 1992.

30. UNARDOL participated in the World Bank preliminary economic assessment mission of September 1991 and provided logistical and technical support as well. UNARDOL participated in the World Bank Aid Coordination Meeting of December 1991 as well as in the parallel technical discussion between the World Bank and CDR to review the programme and define preparatory work required for an emergency loan. UNARDOL participated in the World Bank Economic Assessment Mission to Lebanon between 20 April and 1 May 1992 and contributed the chapter on public administration. In general, UNARDOL maintains close contacts with the World Bank group and the International Monetary Fund.

31. During the period under review, the United Nations and the programmes and specialized agencies of the United Nations system, within their spheres of competence, continued to implement a wide range of projects of assistance to Lebanon.

United Nations

32. The United Nations (Department of Economic and Social Development of the United Nations Secretariat) has programmes of relevance and has implemented, or will implement, projects in Lebanon in the fields of development planning, statistics and development administration.

33. A team from the Economic and Social Commission for Western Asia (ESCWA) headed by the Executive Secretary visited Lebanon on 10-12 March 1992. After extensive consultations involving high-level officials and CDR, a memorandum of understanding was signed between ESCWA and CDR identifying for the first stage the following six target areas for the assistance that ESCWA may extend to Lebanon:

(a) Survey of Lebanese expatriates;

(b) Strengthening of statistics;

(c) Framework of macroeconomic policies;

(d) Housing problems and priority programmes;

(e) Industrial survey and development of industrial estates;

(f) Rehabilitation of the agricultural sector with emphasis on agricultural credit and replacement of undesirable crops.

As follow-up of these activities, several missions were undertaken by staff from concerned divisions to identify specific problems, programme of work and recommended action to be taken.

34. The United Nations Interim Force in Lebanon (UNIFIL) continued to provide humanitarian assistance on an ad hoc basis to alleviate emergency needs in its area of operations in southern Lebanon.

United Nations Children's Fund

35. The military operations in the south and Bekaa areas did not help improve the condition of children and women after 17 years of civil war. In addition, the recent deterioration in the economic situation and the substantial loss in the purchasing power of the Lebanese pound have already made services less accessible to poor families. The forthcoming nutrition survey to be jointly conducted with the World Food Programme (WFP) is expected to assess the change in the extent of malnutrition.

36. In the health sector, UNICEF continued its support to health service delivery, the Expanded Programme of Immunization (EPI), the Essential Drugs Programme (EDP) and the promotion and protection of breast-feeding.

37. UNICEF, in collaboration with WHO, is giving priority to strengthening and sustaining service delivery. Work is under way to transform the emergency relief units established in 1989 into a more permanent network of primary health-care centres. Essential drugs were distributed in February-March to more than 800 governmental and non-governmental dispensaries in conjunction with training sessions on the use of drugs and provision of preventive care.

38. Success in attaining the goal for Universal Childhood Immunization (UCI) was further consolidated. A survey conducted in March showed that 85 per cent of children had completed their triple vaccine/polio (DPT/OPV) and 51 per cent their measles vaccine before their first birthday. In addition, national vaccination days were celebrated in April and May to reach unvaccinated infants and defaulters, particularly in remote areas like Akkar and Al Hirmil (Hermel) and those showing low immunization coverage levels. A third round was planned for June.

39. In the field of infant nutrition, UNICEF supported the National Committee for the promotion of breast-feeding, holding a workshop in May that resulted in a plan of action for the coming year drawn up to promote breast-feeding and provide a more conducive environment for breast-feeding in hospitals and maternity centres.

40. In the water-supply sector, the emergency repairs of the Beirut water-supply financed by the European Community (EEC) through UNDRO were completed in early 1992. The last project for rural water supply financed by Germany is expected to become operational in south Lebanon in July. The joint efforts of the Ministry of Hydraulic and Electrical Resources and the American University of Beirut (with UNICEF support) in establishing a national capacity for water-quality testing have gone beyond the mid-point and the operation is expected to be completed in 1993. However, plans for increasing water-supply for periurban and rural areas await supplementary funding.

41. Work in the education sector maintained its momentum. Summer camps under the Education for Peace Programme were held as scheduled, benefiting 38,000 children, and were followed by practical, hands-on training of 1,348 animateurs from 116 local non-governmental organizations during the spring season. Some 70,000 copies of four issues of the children's magazine SAWA were distributed. Work is well advanced in developing materials for incorporating this activity within the curriculum of primary education. UNICEF, together with the United Nations Educational, Scientific and Cultural Organization (UNESCO), initiated a project to improve the capacity of the Ministry of Education for the computerization and management of information on infrastructure, teaching/supervisory staff and pupils.

42. UNICEF finalized with the Government of Lebanon a five-year Programme of Cooperation (1992-1996) that was submitted to its Executive Board in June 1992 for a commitment of $5 million from general resources and $20 million from external funding to be sought.

United Nations Development Programme

43. During the review period, UNDP activities primarily concentrated on preparatory work for the formulation of the Third Country Programme for Lebanon and on management of ongoing programme activities, including identification and formulation of programmes for rehabilitation of priority sectors. Total Fourth and Fifth Cycle indicative planning figures (IPF) or core UNDP resources committed by the end of May 1992 amounted to US$ 3.858 billion leaving an estimated US$ 15 million uncommitted. Approximately US$ 700,000 in IPF resources was spent in 1991.

44. Pursuant to the World Bank-initiated Aid Coordination Meeting of December 1991 held in Paris, preparations are also under way to review mechanisms for mobilizing technical assistance with emphasis on both assessing the possibility of creating a technical assistance facility for Lebanon and creating institutional capacity within the Government to centrally manage and coordinate technical cooperation.

45. In preparation for the formulation of the Third Country Programme for Lebanon, which is to cover the period 1993-1996, UNDP submitted a draft advisory note to the Government of Lebanon for its consideration. The advisory note reflects the policy dialogue held between CDR and UNDP over the first five months of 1992 and outlines the overall development and programme themes on which UNDP proposes to focus. These include (a) social reconstruction, (b) reactivation of public and private sectors through support to economic management and public administration reform, and (c) economic revitalization through balanced, sustainable development.

46. Another focus of UNDP technical cooperation is the establishment in CDR of a technical assistance unit with capability to manage and coordinate at the government level all technical cooperation coming to the country from all sources. Such a mechanism will help the Government efficiently utilize resources to meet priority needs while avoiding overlapping and unnecessary duplication.

47. In addition to these programme-level activities, below is a summary of major ongoing and pipeline project activities conducted during the reporting period in selected sectors.

General development issues, policy and planning

48. Activities continued throughout 1991 and 1992 in implementing the project "Umbrella fellowships and advisory services" to meet ad hoc pressing short duration training needs of government officials in priority sectors.

49. During the review period, preparatory assistance was completed to formulate the full-scale project "Rehabilitation of the National Statistics Agency and Programme". The formulation mission took place in February 1992 and the draft document is currently under review by the field office before transmittal to the Government for its consideration. This project will meet a

top priority need in support of national efforts to plan and manage reconstruction and development; it is hoped that implementation will start by early September 1992.

50. Following extensive consultations, a particularly important activity conducted over the last year was the approval of an umbrella preparatory assistance in support of CDR's priority rehabilitation programme. In order to assist CDR with damage assessment and final project preparation in key sectors, as well as to provide support for the preparation of sector policy and analysis, UNDP agreed in May 1992 to finance interdisciplinary missions in support of the rehabilitation programme. Preparatory assistance was approved for the education sector (outlined below), agriculture and irrigation, and support to displaced persons. It is anticipated that this preparatory assistance will also be extended to industry. Output under this preparatory assistance is to be formulated within the context of a programme approach; it is also expected that that output will comprise important components of the next country programme. In addition, to the extent that this is feasible, the proposed execution modality is to be a national one. Preparatory assistance to review and assess professional training needs for central bank staff has also been agreed to in cooperation with the International Monetary Fund (IMF), while further consultations have also been held with the Ministry of Finance as well as with the Fund and the World Bank concerning the possible provision of technical assistance for rehabilitation of the Ministry of Finance and building of national capacity in economic management.

Agriculture, forestry and fisheries

51. Activities in these sectors during the reporting period were concentrated on initiation of two projects executed by the Food and Agriculture Organization of the United Nations (FAO): (a) "Rehabilitation of the Ministry of Agriculture" and (b) "Reinforcement of food hygiene control" (for products of animal origin).

Transport and communications

52. The three-year project "Reactivation of civil aviation facilities and services", aimed at reactivating and upgrading damaged and unserviceable civil aviation facilities and services, began activities during the reporting period. This International Civil Aviation Organization (ICAO)-executed project's emphasis on the training of Lebanon's technical, operational and management personnel and on the updating of rules, regulations and procedures is designed to facilitate the return of Beirut International Airport to internationally accepted standards.

53. The ongoing project "Telecommunications training" continued throughout the reporting period with key training fellowships awarded to civil servants responsible for addressing priority needs in the telecommunications sector.

Education

54. As indicated above, UNDP preparatory assistance has been approved for the rehabilitation of the education sector and modernization of education management. An interdisciplinary UNESCO mission was fielded to Lebanon in May 1992. This mission had a dual focus: (a) initiation of preparations for damage assessment and project preparation with a view to formulating a coherent rehabilitation programme for the sector and (b) a broad review of education policy with emphasis on preparing for the implementation of an education sector study. The latter will be implemented through a national steering committee and specialized working groups with technical guidance and support from UNESCO over a period of one and a half years. This assistance is in direct support of the CDR priority rehabilitation programme.

Humanitarian aid and relief

55. During January to March 1992, particularly bad, prolonged winter snowstorms hit Lebanon, causing tens of villages to be isolated and resulting in considerable loss of life and injuries as well as extensive damage to personal property and agricultural holdings; subsequent melting snow caused flooding and further suffering. In response to a request by the Government for emergency assistance for the victims of this natural disaster, UNDP provided US$ 50,000 from its Special Programme Resources (SPR). In consultation with the Government (CDR), and with the assistance of the Lebanese Red Cross, the funds were used to purchase and distribute fuel oil to nearly 3,000 families and to clear river beds and canals in different affected regions.

56. In response to the need for national disaster management throughout the 17-year conflict, and in particular in response to the recent snowstorm disaster, the Government agreed to organize a national disaster management workshop within the UNDP/UNDRO-supported Disaster Management Training Programme (DMTP). Organization of the national workshop, which is tentatively scheduled to be held in Lebanon in mid-October 1992, is planned with the American University of Beirut (which is the designated regional institution for DMTP) and with the support of the Lebanese Red Cross, the International Federation of Red Cross and Red Crescent Societies and a national disaster management team.

Development support services

57. During the reporting period, UNDP's Development Support Services (DSS) financed a study on "Development of the private sector in Lebanon", which reviewed the situation in the private sector and its potential for development. The report identified over 12 project ideas for eventual formulation, a number of which merit close consideration by the Government, as limited technical assistance provided through UNDP or other sources may achieve considerable impact in the short term. In this connection, reference is made particularly to an International Trade Centre UNCTAD/GATT-funded formulation of a project for the establishment of a trade information centre.

This mission visited Lebanon during the first quarter of 1992; the project document is presently under consideration by the Government.

Reactivation of activities of the United Nations Population Fund

58. United Nations Population Fund (UNFPA) project proposals relating to "Population and housing database" and "Midwife training in family planning" have been the subject of review and consideration by the Government, but as yet there is no final agreement on the scope and content of both projects.

United Nations sectoral missions

59. In addition to UNDP programming, UNDP has provided technical and administrative support throughout the reporting period for the facilitation of other United Nations missions. This has been particularly true for missions from agencies and organizations not represented in Lebanon, such as the World Bank, IMF, the United Nations Industrial Development Organization (UNIDO), the Economic and Social Commission for Western Asia (ESCWA), the International Telecommunication Union (ITU) and the International Fund for Agricultural Development (IFAD).

United Nations Relief and Works Agency

60. A full account of UNRWA's current activities in Lebanon will be contained in the annual report of the Commissioner-General to the General Assembly covering the period from 1 July 1991 to 30 June 1992. The following is a brief summary of major operations carried out in the period 1 August 1991 to 31 May 1992.

61. With regard to the General Assembly's calling, in its resolution 46/173, upon all organizations and programmes of the United Nations system to take necessary steps to ensure that their offices in Beirut be adequately staffed at a senior level, it should be noted that UNRWA operations continued throughout the years of the Lebanese civil conflict and that senior staff, including international staff, remained on duty in the Lebanon Field Office. Field Office staff were relocated temporarily to Siblin, near Saida, and Barr Ilyas (Bar Elias) in the Bekaa during periods of heavy fighting in Beirut beginning in April 1989. Staff returned to the Beirut Office in August 1990 and it continues to be fully manned by almost 2,500 staff at all levels, including 9 international staff headed by the Director at the D-1 level.

62. Under normal circumstances, UNRWA provides services only to registered Palestine refugees, who numbered 317,000 in Lebanon as at 31 March 1992. However, in view of the situation prevailing in Lebanon, the Agency has, for several years, extended emergency assistance to the entire Palestinian community. It has also actively participated with other United Nations organizations and international relief organizations in activities to provide assistance to the Lebanese population in general, notably by extending services to needy Lebanese living in proximity to poor Palestinians.

63. As in its other fields, UNRWA offers educational services to Palestine refugees in Lebanon within the framework of the host country's prescribed curricula and in accordance with the needs, identity and cultural heritage of the Palestine refugees. In the academic year 1991/92, elementary and preparatory education was being provided to almost 34,000 children by 1,063 teachers in 77 schools. Many of the school buildings are in poor condition and there is a general shortage of suitable accommodation. As a result, 40 of the schools operate on a double shift. In addition to schools, the Agency runs a vocational training centre at Siblin that provides places for more than 600 trainees and is staffed by 70 instructors. Trade and semi-professional courses are offered to young Palestinians to equip them with suitable skills to enter the job market.

64. UNRWA's health programme in Lebanon is primarily community health oriented and comprises curative and preventive medical care services, environmental health services in refugee camps, and a nutrition and supplementary feeding service. When hospital care is required, it is provided through hospitals with which the Agency has contractual arrangements or by reimbursement of costs incurred in government hospitals. Health services are provided through a network of 25 health centres and numerous other clinics providing various forms of treatment. Almost 400 staff are presently employed in the Agency's health programme in Lebanon, including 33 doctors, 97 nurses and 8 dentists.

65. The Agency's relief and social services programme in Lebanon registers refugees, determines eligibility for Agency services, handles emergency relief and facilitates longer-term social and economic improvement to refugees and their communities. Relief to the most destitute is provided through the special hardship case programme under which more than 37,000 persons, comprising approximately 10 per cent of the refugee population, presently receive monthly rations of basic foodstuffs, cash assistance and blankets. Income generation and self-employment are being encouraged by 171 grant-based projects to which almost US$ 500,000 have been allocated. Plans are presently being made to begin loan-based income generation projects. Assistance to women is provided through nine women's centres in the refugee camps, which offer training to approximately 500 women per year in various trades and crafts. One community-based rehabilitation centre provides assistance to disabled children and there are plans for an additional 12 such centres.

66. The budget for UNRWA's regular programmes for 1992 for Palestinians in Lebanon is US$ 30 million, of which US$ 12 million is allocated to education, US$ 7.6 million to health, US$ 6.4 million to relief and social services and only US$ 4 million to common and operational costs. In addition to its regular programme, the Agency is, in 1992, continuing to carry on a programme of extraordinary measures consisting, inter alia, of distribution of food and other assistance to the needy and displaced. The budget for extraordinary measures in Lebanon for 1992 is US$ 2.2 million.

Office of the United Nations High Commissioner for Refugees

67. With the relative improvement in the security situation in Lebanon, a number of refugees started visiting the Office of the United Nations High Commissioner for Refugees (UNHCR) office in Beirut asking for material assistance and for solutions to their problems.

68. The refugee population in Lebanon has increased considerably; the case-load comprises 4,000 persons from Middle Eastern and African countries. In addition, there is a group of 1,500 stateless persons.

69. As in previous years, UNHCR assistance was mainly directed towards the most needy and destitute refugees and included medical services, education, counselling, repatriation and, to a lesser extent, resettlement. UNHCR continued to put emphasis on the promotion of local durable solutions such as naturalization and local integration. Its annual programme amounted to some US$ 270,000 while the special programme amounted to some US$ 30,000.

70. In previous years the prevailing security situation had not allowed the implementation of some projects in Lebanon. While repairs to the damaged warehouse in the Hamlish school were recently completed, the improvement of an annex building at the Islamic Charity Hospital in Tripoli is still pending. Discussion and negotiation with all concerned parties are progressing and the implementation of the latter project is expected to start in late 1992.

World Food Programme

71. In December 1991, the World Food Programme (WFP) approved US$ 12.2 million in food assistance to Lebanon for the purpose of continuing for a further period of four years the WFP-assisted ongoing project entitled "Feeding programme for children and youths in institutions and for vulnerable groups in Maternity Child Health-Care (MCH) centres". During the expansion phase WFP food assistance will be distributed all over the country to 118,000 boarders and day students in some 170 social institutions, to 70,000 pregnant and nursing mothers and preschool children in 35 MCH centres and to 13,000 primary-school children in two primary-school canteens. Food assistance is intended to help improve the food intake of beneficiaries while they are receiving academic education and/or vocational training in the social institutions; to increase the coverage, frequency and quality of prenatal and postnatal consultation for expectant and nursing mothers in MCH centres; and to alleviate short-term hunger of primary-school children. The first consignments of WFP food assistance under this project are being delivered to the project authority (Ministry of Health and Social Affairs); commodity distribution will commence with the beginning of the 1992/93 school year.

72. WFP is also considering the request of the Government of Lebanon for WFP food assistance for the rehabilitation of agricultural areas. The total cost to WFP for a five-year project would be approximately US$ 15 million and would call for the supply of some 32,000 tons of various food items. WFP food

commodities would be distributed to the beneficiaries as incentive and would help the farmers in the rehabilitation and cultivation of land, including the undertaking of needed soil conservation works in mountainous areas; increase food production in the country; and ease the problem of underemployment. The appraisal is pending confirmation from the national authorities that the rehabilitation of agricultural areas enjoys the highest priority for allocation of WFP food assistance.

United Nations International Drug Control Programme

73. Upon the request of the Lebanese Government, the United Nations International Drug Control Programme (UNDCP) undertook a fact-finding mission to Lebanon from 22 to 29 May 1992. The mission had the following specific objectives: to evaluate the extent of the drug problem (illicit traffic and abuse); to assess the status of legal and administrative structures, the existing anti-drug legislation and compliance with the United Nations drug control conventions in the country; to examine police and customs structures in charge of drug control and evaluate existing coordination with the country; to draw up an inventory of needs; and to identify assistance measures to be provided.

74. As a result of the discussions held with the ministries concerned, namely, the Ministry of the Interior, the Ministry of Justice, the Ministry of Agriculture, the Ministry of Health and the Ministry of Finance, and the mission's two-day visit to the Bekaa Valley, the following two elements emerged and should be highlighted:

(a) In December 1991, the Lebanese police with the support of the Syrian army started an information campaign aimed at dissuading the farmers in the Bekaa Valley from planting opium poppy seeds, then in March 1991 proceeded to eradicate the illicit crops cultivated over a surface estimated at 600 hectares. The mission reported the complete eradication of illicit crops in the Bekaa valley as the result of a decision taken by the Lebanese Government. Under these new circumstances, and owing to the economic problems that the inhabitants of the area are facing, the development of an integrated programme is greatly needed;

(b) Illicit drug trafficking, particularly in heroin and cocaine, from Lebanon to Western Europe and the Arab peninsula, remains a serious problem that should be addressed during this reconstruction period in Lebanon. Specific efforts should be made to reinforce all drug-combating structures in the country in their fight against drugs.

International Labour Organisation

75. The International Labour Organisation (ILO) conducted various seminars and granted fellowships (disbursements in parentheses) as follows:

(a) National seminar on social security reform, organized with the General Confederation of Trade Unions in August 1991 (US$ 12,000);

(b) National seminar on education in Lebanon, organized with the General Confederation of Trade Unions in October 1991 (US$ 13,000);

(c) Fellowship for participation in the training course on management of vocational training institutions held at the Turin centre in November-December 1991 (US$ 6,000);

(d) Two fellowships, one each for employers' and workers' organizations, for participation in the ILO regional seminar on the role of employers' and workers' organizations in the training and employment of disabled persons, in September 1991 (US$ 6,000);

(e) Two fellowships for participation in the interregional seminar on reintegration of migrant workers and organization of migration flows, in April 1992, organized within the framework of the ILO/UNDP regional project "Support to migration policies" (US$ 3,000);

(f) Advisory mission undertaken by the regional adviser on workers' activities in September 1991 (US$ 6,000);

(g) Advisory mission on the occasion of the inauguration of the Centre for Human Rights, Jinane University, in November 1991 (US$ 6,000).

Food and Agriculture Organization of the United Nations

76. The current Food and Agriculture Organization of the United Nations (FAO) programme in Lebanon is supported by three funding sources, namely: the FAO regular programme, UNDP and Trust Funds.

77. Five regular programme (Technical Cooperation Programme (TCP)) projects are now operational: a study for the rehabilitation of irrigation in the coastal area of Jbeil (cost US$ 121,000), the reinforcement of the operational and technical capacity of the farmers of Tel Amara (cost US$ 327,000), the urgent provision of potato seeds to the smallholders of the Bekaa Valley (cost US$ 315,000); the feasibility study for the rehabilitation of silos of Beirut (cost US$ 15,500) and the assistance to reforestation (US$ 133,000). The ongoing TCP programme has a total cost of US$ 912,000.

78. The Programme on Food Losses (PFL) project for the rehabilitation of the silo port of Beirut was approved in July 1991 at a value of US$ 513,000 for provision of spare parts to physically rehabilitate the infrastructures. The project will be completed shortly.

79. The FAO Global Information and Early Warning System on Food and Agriculture (GIEWS) regularly monitors the crop and food supply situation in Lebanon. FAO assessments continue to be published in the System's monthly

report, "Food crops and shortages", in order, inter alia, to assist donor countries with decisions concerning the provision of food aid. Production of cereals in 1991 was slightly lower than in the previous year, but still above average. However, domestic production of cereals covers less than 10 per cent of total requirements. With the cessation of civil strife, the socio-economic situation has improved, but large sections of the population still need relief and rehabilitation assistance.

80. Finally, a series of workshops were organized by FAO and the Ministry of Agriculture under the FAO regular programme on the rational management and use of water for irrigation, agricultural extension and cooperatives. The purpose and objective of the workshops included strengthening of the capacity of the Ministry of Agriculture in institution building.

81. Under UNDP funding, five projects were completed in 1991 and three new projects were approved in 1991 and 1992. They total US$ 1.5 million in value and include agricultural documentation, seed production, rehabilitation of the Ministry of Agriculture, aquaculture and hygiene control of foodstuffs of animal origin. All projects are executed by national directors and consultants under the supervision of the FAO representative.

82. Other new projects are under review by UNDP following the recent United Nations Inter-Agency Needs Assessment Mission for Lebanon for the assessment of immediate needs for the reconstruction of Lebanon. It is expected that a new project on olive culture improvement will be approved shortly with a budget of US$ 528,500. FAO, through an inter-agency letter of agreement, is providing expertise in the agricultural section under an Office for Project Services (OPS)-executed project (LEB/92/001 - Preparatory Assistance) entitled "Support to Priority Rehabilitation Programme".

83. A Trust Fund project in the field of agricultural planning has been extended through the end of 1992, with a total budget of US$ 740,000. The project is presently funding several consultancy missions, inter alia, on agricultural credit, water resources and silkworms. Another Trust Fund project is under approval for the rehabilitation of the Ministry of Agriculture (US$ 155,000). A third project designed to assist small-scale farmers in their efforts to achieve a satisfactory potato seed production level is terminating. The balance of the budget (US$ 186,000) will be used through a Trust Fund agreement for the rehabilitation of the Tel Amara research station in the Bekaa Valley.

United Nations Educational, Scientific and Cultural Organization

84. In May 1991, the United Nations Educational, Scientific and Cultural Organization (UNESCO) organized an intersectoral mission to assess basic needs in the fields of education and the cultural heritage, and participated in the inter-agency mission that was carried out in July 1991 (combined cost of these missions: US$ 50,000). As emergency aid, UNESCO made two grants of

US$ 25,000, one to launch in-service training courses for school principals and the other to assist the Department of Antiquities. In the field of education, technical education and institutional reinforcement projects have been prepared and are expected to be continued (estimated cost: US$ 15,000), while a project designed to provide equipment for laboratories in secondary schools (funded by the Islamic Development Bank: US$ 10 million) has entered its implementation phase. The Director-General and the Lebanese Minister of Education met and agreed on a global cooperation programme under which UNESCO and the Lebanese Government will work together to rebuild the National Museum, reactivate the agreement concerning the International Centre for the Humanities and Development at Byblos, create an institute of marine sciences and protect historic and archaeologic sites, particularly Tyre. At the same time, UNESCO will intensify its cooperation with the Ministry of Education.

85. Based on the findings of its previous missions, UNESCO, in September 1991, sent to Lebanon a joint mission with the French Ministry of Foreign Affairs to identify the needs of the Ministry of Education and Fine Arts in information management and thereby provide that Ministry with the ability to manage reconstruction efforts in the sector (cost US$ 10,000). The UNDP Office in Beirut subsequently approved a preparatory assistance for project formulation in education and training (US$ 150,000). This preparatory assistance was implemented in May-June 1992 and rehabilitation projects were formulated in the fields of teacher training, institutional building in the Ministry of Education and Fine Arts, and technical and vocational education.

86. In October 1991, the Council for Reconstruction and Development (CDR) signed an aide-mémoire with UNESCO through which UNESCO would advise CDR on the historical and archaeologic aspects of the reconstruction of the Central District of Beirut and on the reconstruction and development of the National Museum of Beirut. CDR and UNDP have agreed to allocate funds (estimated at US$ 1 million in a first phase) to these activities, which are expected to begin in summer 1992. Meanwhile, UNESCO managed to secure on a voluntary contribution basis the services of a Lebanese specialized company to provide waterproofing in the building of the Museum (US$ 100,000). The Direction générale des antiquités will receive technical assistance on a UNESCO/UNDP project to enable it to carry out its activities and more particularly on work related to the Central District of Beirut, the National Museum and the archaeologic site of Tyre. Cooperation is also taking place with the Municipality of the City of Saïda for the protection and revitalization of its Old City.

87. In February 1992, UNESCO organized in Paris an international meeting of specialists to revise the concept of the International Centre for the Humanities and Development at Byblos (US$ 20,000). The recommendations have been submitted to the Minister of Foreign Affairs for comments and eventual approval. Several other missions took place over the period to advise in such fields as education, ecology, marine sciences and the rehabilitation of the Lebanese Council for Scientific Research (US$ 30,000). UNESCO cooperates also in the protection of the cedars forest of Lebanon and will, at UNDP's request, prepare a master plan for the monitoring of natural resources and environment

in Lebanon (US$ 60,000). Furthermore, at the request of the Council for Development and Reconstruction, UNESCO is cooperating with the UNDP Office in Beirut to prepare a Transfer of Know-how Through Expatriate Nationals (TOKTEN) project for Lebanon.

88. The Lebanese National Commission for UNESCO received assistance through the Participation Programme for activities in education and culture (estimated at US$ 40,000).

89. An inter-university cooperation (UNITWIN) project to assist the restructuring of Lebanese universities is being undertaken by UNESCO and the Association des universités partiellement ou entièrement de langue française (AUPELF) (non-governmental organization in consultative status with UNESCO, category A).

World Health Organization

90. The World Health Organization/Eastern Mediterranean Region (WHO/EMRO) supported Lebanon from its regular budget as described below.

Health situation and trend assessment strengthening of epidemiological services

91. Within the context of implementation of primary health care in the country, support was provided for the development of the system of data collection from primary health care units and the methodology of translating data from those units into the national health statistical data.

Managerial process for national health development

92. Support was given to collaboration in the reorganization of the Ministry of Health, as well as to the development of a national strategy for rehabilitation of health services.

Organization of the health systems based on primary health care

93. Support was given to the development of primary health care at the district level and integration of services, including training of district medical officers, development of curricula for community health workers, training of supervisors and provision of supplies and equipment.

Control of environmental health hazards

94. Short-term consultants were provided to undertake:

(a) Comprehensive assessment of all aspects of environmental health problems in the country and the activities in progress in the various sectors;

(b) Preparation of a plan and proposals for addressing all aspects of environmental health and safety in areas including water-supply, sanitation, waste disposal and food.

Health laboratory services

95. Support was provided for rehabilitation of the Central Health Laboratory and the regional laboratories.

Essential drugs

96. Collaboration was provided for completion of the essential drugs list and training for its use as well as for strengthening of the Drugs Quality Control Laboratory.

Expanded programme on immunization

97. Support was provided for provision of solar refrigerators and training of technicians for their installation and use.

Acquired immune deficiency syndrome (AIDS) control

98. Support was provided for the development of a national programme for acquired immune deficiency syndrome (AIDS) control. This included training of doctors and nurses as well as provision for safety of blood transfusion; training of technicians; and provision of test kits.

United Nations Industrial Development Organization

99. As a follow-up to United Nations Industrial Development Organization (UNIDO) participation in the United Nations Inter-Agency Needs Assessment Mission to Lebanon, in July 1991, UNIDO fielded a mission in December 1991 to discuss possibilities and modalities of cooperation and further elaboration of project ideas with representatives of Lebanon's CDR and of the General Union of Chambers of Commerce, Industry and Agriculture for Arab Countries.

100. The following project ideas in line with the integrated programme for the rehabilitation, reconstruction and development of Lebanon's industrial sector have been identified and submitted to CDR for consideration: (a) industrial survey, (b) establishment of an industrial information centre, (c) product adaptation for export promotion to European Community countries; (d) rehabilitation of the Industry Institute, (e) identification of industrial investment projects, (f) establishment of an industrial development bank, (g) advisory services for energy conservation in industry and (h) technical assistance for the rehabilitation of the Tripoli Oil Installation Refinery.

101. Upon request of the Government, UNIDO will field a project formulation mission for the preparation of project documents for the above-mentioned project ideas.

102. Within umbrella project LEB/92/001: Rehabilitation programme for industry, UNIDO is prepared to provide two specialists on industrial management and services and industrial finance respectively.

103. Moreover, in the context of the memorandum of understanding signed in March 1992 between the Economic and Social Commission for Western Asia (ESCWA) and CDR, the UNIDO Regional Adviser attached to ESCWA has been entrusted with the responsibility for elaborating a work plan for the implementation of the identified project ideas with focus on the assessment of the status of the industrial sector (industrial survey and planning of industrial estates). In particular, the industrial survey is expected to be undertaken in coordination with UNIDO.

World Bank

104. Around September 1991, the World Bank began working with CDR, the Government institution in charge of the preparation of the reconstruction programme, and its consultants in various aspects of the preparation of the reconstruction programme for Lebanon. In October/November 1991, a World Bank/UNDP mission visited Lebanon to make a preliminary assessment of the economic situation and to identify pressing rehabilitation requirements and technical assistance needs in four selected priority sectors: (a) electricity, (b) telecommunications, (c) water, waste water and solid waste and (d) housing. The mission's report, "Recent economic developments and emergency rehabilitation and technical assistance needs in selected priority sectors" of 3 December 1991, provided documentation for purposes of an Aid Coordination Meeting that was convened under the chairmanship of the Bank in Paris on 12 December 1991.

105. An economic mission visited Lebanon in February 1992 with a view to assessing the economic situation and prospects but had to be withdrawn because of the worsening security situation that led to a temporary United Nations ban on travel to Lebanon. A Bank emergency reconstruction project identification mission that had been scheduled to visit Lebanon during the same month could not proceed as planned in view of that ban. The economic mission returned to Lebanon in April 1992 and is currently preparing its report. A technical assistance mission visited Lebanon in the same month to collaborate with UNDP and CDR in the preparation of a possible technical assistance secretariat and a possible technical assistance facility. A project identification mission arrived in Lebanon in early May 1992 but had to be withdrawn because of the worsening security situation during the second week of May.

106. In spite of the delays caused by the interruption of the mission's work, the World Bank is continuing to work with CDR on the preparation of the reconstruction programme and a possible Bank project. World Bank staff are currently reviewing the damage assessment studies that have been prepared by CDR with the help of consultants financed by the European Community (EEC), and is in close contact with CDR on other aspects of the preparation of the reconstruction programme.

107. The Bank has also indicated to the Lebanese authorities that it stands ready to convene a consultative group meeting at the most appropriate time.

International Monetary Fund

108. International Monetary Fund (IMF) technical assistance and activities during the period under review consisted of the following:

Date (place)	IMF constituent	Activity/purpose
15-23 November 1991 (Beirut)	Middle East Department (MED) mission	Review of recent developments and preparation for Aid Coordination Meeting
9-11 December 1991 (Paris)	Central Banking Department (CED) staff	Technical advice on organizational and monetary management issues for the central bank
12 December 1991 (Paris)	MED Director	IMF statement for Aid Coordination Meeting
16-31 March 1992 (Beirut)	Fiscal Affairs Department (FAD)	Technical assistance on tax mission system and revenue-raising measures
3-7 May 1992 (Beirut)	MED mission	Assistance in formulating macroeconomic framework and preparation for consultative group meeting

IV. CONCLUSIONS

109. The Secretary-General is fully aware of the urgent need to mobilize international support for the reconstruction and development of Lebanon. The Secretary-General recognizes the catalytic role that the United Nations and the specialized agencies and programmes of the United Nations system can play in the planning and mobilization of resources for the rehabilitation of Lebanon.

110. During the past year a Resident Coordinator has been appointed. Other agencies and programmes of the United Nations system have upgraded and expanded their presence in Beirut. There has been excellent cooperation and coordination among the organizations and programmes of the United Nations system under the leadership of the United Nations/UNARDOL Resident Coordinator.

111. In conformity with the priorities of the Lebanese Government, United Nations activities will increasingly focus on institution building and human development. Humanitarian assistance activities have continued but at a lower level than in preceding years. Emphasis has also been placed on relations with the donor community. The increased interest and support of the donor

community has been noted and is essential for the successful reconstruction of Lebanon.

112. The economic recovery of Lebanon, well under way during the second half of 1991, slowed in early 1992. Furthermore, national security remains a fundamental prerequisite for the creation of an economic and social environment conducive to reconstruction and development. The promotion of peace and stability in the region can only give impetus to efforts of the Government of Lebanon to put aside the legacy of the past 17 years and move forward with the rehabilitation and reconstruction of the country.

113. The Secretary-General is proceeding with the implementation of Economic and Social Council resolution 1991/61 and General Assembly resolution 46/173. Financial support to the Secretary-General's Trust Fund for the Reconstruction and Development of Lebanon would allow greater assistance to be provided to Lebanon in order to meet its pressing and urgent need for reconstruction and development.